

CITY BOND PURCHASE AGREEMENT

THIS CITY BOND PURCHASE AGREEMENT (this "**Agreement**") is dated _____, 2019, by and between the **MISSISSIPPI DEVELOPMENT BANK**, a public body corporate and politic (the "**Bank**"), created pursuant to the provisions of Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended (hereinafter referred to as the "**Bank Act**"), having its principal place of business in the City of Jackson, Mississippi, and the **CITY OF HATTIESBURG, MISSISSIPPI** (the "**City**"), a local governmental unit under the Act.

WITNESSETH:

WHEREAS, pursuant to the Bank Act, the Bank is authorized to purchase securities (as defined in the Bank Act) issued by local governmental units (as defined in the Bank Act); and

WHEREAS, the City has duly authorized the issuance of its general obligation bond designated the City of Hattiesburg, Mississippi General Obligation Bond, Series 2019 in the form of one fully registered bond, in the principal amount of _____ Dollars (\$_____,000) (the "**City Bond**") as authorized by Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended (the "**City Bond Act**" and together with the Bank Act, the "**Act**") and the Bank Act; and

WHEREAS, the City Bond is expected to be purchased by the Bank in accordance with the terms and conditions of this Agreement; and

WHEREAS, the Bank has adopted a resolution approving an Indenture of Trust (the "**Indenture**"), dated _____, 2019, by and between the Bank and _____ Bank, _____, Mississippi (the "**Trustee**"), authorizing the issuance of its \$_____,000 Mississippi Development Bank Special Obligation Bonds, Series 2019 (Hattiesburg, Mississippi General Obligation Bond Project) (the "**Bank Bonds**"), the proceeds of which will be used to purchase the City Bond.

NOW, THEREFORE, the Bank and the City agree:

1. Subject to the terms and conditions of this Agreement, the Bank hereby agrees to purchase the City Bond and the City hereby agrees to sell to the Bank the City Bond at the price of \$_____,000 and less \$_____,000.00 for deposit to the Bond Issuance Expense Account (as defined in the Indenture); which equals the balance of \$_____,000.00 to be deposited on behalf of the City into the 2019 Construction Fund, as defined in and pursuant to that certain Bond Resolution (the "**City Bond Resolution**"), adopted by the Mayor and the City Council of the City on November 6, 2018. The terms of the City Bond are set forth in the City Bond Resolution and incorporated herein by reference.

2. The City will take all action required by law to enable it to issue and sell the City Bond to be purchased by the Bank, and the City's obligation to issue and sell the City Bond and the Bank's obligation to purchase the City Bond are expressly contingent upon the City's taking all steps and receiving all approvals required by the laws of the State of Mississippi to issue the City Bond.

3. To the extent the City Bond is subject to the rebate requirement as set for in Section 148(f) of the Internal Revenue Code of 1986, as amended, and the Regulations promulgated thereunder (the "**Rebate Requirement**"), the City agrees to pay the Bank for prompt payment to or to provide evidence to the Bank of payment to the United States of the Rebate Requirement determined by the City to result from the investment of moneys held by the City that constitute gross proceeds of the Bank Bonds. The City agrees to provide documentation to the Bank relative to the computation of the Rebate Requirement and payment of such Rebate Requirement when required.

4. At such time as the Bank shall reasonably request, and in any event prior to the delivery to the Bank of the City Bond, which City Bond shall be in the form set forth in the City Bond Resolution and registered in the name of _____ Bank, _____, Mississippi as the assignee of the Bank, the City shall furnish to the Bank a transcript of proceedings and an opinion of bond counsel satisfactory to the Bank which shall set forth, among other things, the unqualified approval of the validity and authorized issuance of the City Bond. The City shall bear the cost of obtaining such bond counsel's opinion.

5. The City and the Bank agree that the City Bond and the payments to be made thereon may be pledged or assigned by the Bank only under and to the extent provided in the Indenture.

6. The City agrees to furnish to the Bank as long as the City Bond remains outstanding annual financial reports, audit reports and such other financial information as is reasonably requested by the Bank, including information which may concern the tax-exempt status of the Bank Bonds and the City's and the Bank's obligation to rebate excess earnings according to the Rebate Requirement.

7. If any provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of the Agreement and this Agreement shall be construed and in force as if such invalid or unenforceable provision had not been contained herein.

8. If the Bank does not deliver said Bank Bonds and receive payment therefor on or before _____, 2019, the City may rescind this Agreement by giving written notice of such rescission to the Executive Director of the Bank. The Bank is obligated to purchase the City Bond solely from proceeds of the Bank Bonds.

9. This Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. The Bank and the City each agree that it will execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Agreement.

10. No waiver by either the Bank or the City of any term or condition of this Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the

same or of a different section, subsection, paragraph, clause, phrase or other provision of this Agreement.

11. This Agreement merges and supersedes all prior negotiations, representations, and agreements between the Bank and the City relating to the subject matter hereof and constitutes the entire agreement between the Bank and the City in respect hereof.

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IN WITNESS WHEREOF, we have set our hands unto this City Bond Purchase Agreement as of the day first above written.

MISSISSIPPI DEVELOPMENT BANK

(SEAL)

By: _____
Executive Director

ATTEST:

Secretary

CITY OF HATTIESBURG, MISSISSIPPI

By: _____
Mayor

ATTEST:

City Clerk

(SEAL)

Signature Page to City Bond Purchase Agreement by and between Mississippi Development Bank and the City of Hattiesburg, Mississippi.